WORK SESSION AGENDA

Monday, October 12, 2020 at 1:00 PM

City of Las Cruces
MOUNTAINS OF OPPORTUNITY

CITY HALL
P.O. BOX 20000
LAS CRUCES, NM 88004

700 N. Main St.
PHONE (575) 541-2067

Remotely via Zoom
View meetings live at lascruces.civicweb.net

If you need an accommodation for a disability to enable you to fully participate in this event please contact us 72 hours before this event at 541-2115/V or 541-2182/TTY.

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Council Work Session Summary

Meeting: Work Session - Oct 12 2020

TITLE: PROPOSAL OF AMENDMENTS TO LEASE OF MEMORIAL MEDICAL CENTER.

PURPOSE(S) OF DISCUSSION: ☒ Inform/Update ☒ Direction/Guidance ☐ Legislative Development/Policy

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

Memorial Medical Center administration has requested a meeting with the City Council to present a proposal of an amendment to the Lease Agreement. Lease agreement is dated May 19, 2004.

The stated purpose of the amendment is to modify terms, clarify certain definitions and add language on annual reporting requirements. The lease is a forty (40) year term, of which sixteen (16) years are completed.

A general outline of the Lease Agreement amendment proposals shall consist of:

TERMS:

- Capital Investment of 3% of Hospital operations net revenue.
- Capital Investment is measured based on cumulative life to date of the lease.
- Eliminate calculation of rolling three (3) year average for capital investment.

DEFINITIONS:

- Capital Investment includes all additions to fixed asset accounts in fiscal year and life to date of the lease.
- Major repairs under $25,000.00 involving renovations/upgrades to facility that do not meet capitalization policy.
- First 12 months of newly recruited physician gross expenses represent investment of providers to support community health needs.
- Investment in Electronic Health Record for new applications, interfaces or significant upgrades to existing applications that do not meet capitalization requirements.

REPORTING RESPONSIBILITIES:

- Submit annual updates to City Council and County Commissioners to report status of capital investment for the fiscal year and cumulative lease date.
- Update report due by April 30 of each year for the previous fiscal year and life to date of lease.

Memorial Medical Center will be represented by John Harris, CEO and Steve Winegeart, CFO.

SUPPORT INFORMATION:

Exhibit "A" - Request Letter from MMC for Amendment to Lease dated 9-8-2020.

PLAN(S):

None

Memorial Medical Center

September 8, 2020

David Maestas, PE, Interim City Manager
City of Las Cruces
P.O. Box 20000
Las Cruces, NM 88004

Fernando R. Macias, County Manager
Doña Ana County
845 N. Motel Blvd.
Las Cruces, NM 88005

RE: Amendment to Lease of Memorial Medical Center - May 19, 2004

Greetings Gentlemen:

We are requesting a meeting of the City Council and County Commissioners to propose an amendment to the Lease Agreement dated May 19, 2004 for Memorial Medical Center. The purpose of the amendment is to modify terms, clarify certain definitions and add language on annual reporting requirements. The lease is a forty (40)-year lease of which sixteen (16) years are completed. We are prepared to present our request at meetings of the City Council and County Commissioners as required to review the proposal and provide detail around the amendment request - terms, definitions, and reporting.

In anticipation of Lease Agreement amendment discussions, an outline of the request is detailed below:

TERMS

- Capital Investment of 3% of Hospital operations net revenue
- Capital Investment is measured based on cumulative life to date of the lease
- Eliminate calculation of rolling three (3) year average for capital investment

DEFINITIONS

- Capital Investment includes all additions to fixed asset accounts in fiscal year and life to date of the lease
- Major repairs under $25,000 involving renovations/upgrades to facility that do not meet capitalization policy
- First 12 months of newly recruited Physician gross expenses - represents investment of providers to support community health needs
- Investment in Electronic Health Record for new applications, interfaces or significant upgrades to existing applications that do not meet capitalization requirements

REPORTING RESPONSIBILITIES

- Submit annual updates to City Council and County Commissioners to report status of capital investment for the fiscal year and cumulative lease to date
- Update report due by April 30th, of each year for the previous fiscal year and life to date of the lease

Additional details and discussion of the request will be provided during the presentation.

Memorial will be represented by John Harris, Chief Executive Officer, and Steve Winegeart, Chief Financial Officer. If a pre-meeting is required to discuss the proposal in advance of the full presentation to the Council and Commissioners, we will be available. Otherwise, please let us know day and time for the presentation to the full governing bodies.

Sincerely,

John Harris
Chief Executive Officer

Council Work Session Summary

Meeting: Work Session - Oct 12 2020

TITLE: GO BOND PROJECTS - OVERALL UPDATE

PURPOSE(S) OF DISCUSSION: ☒ **Inform/Update** ☐ **Direction/Guidance** ☐ **Legislative Development/Policy**

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

City staff will present a quarterly update on the status of GO Bond projects. The update is intended to provide current information about the projects by highlighting background, status, and estimated timelines for both the design and construction phases of implementation.

PLAN(S):

Department Strategic Business Plan

COMMITTEE/BOARD REVIEW:

None

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Council Work Session Summary

Meeting: Work Session - Oct 12 2020

TITLE: BUSINESS RETENTION & EXPANSION (BRE) AND BUSINESS SUPPORT FOR RECOVERY.

PURPOSE(S) OF DISCUSSION: ☒ Inform/Update ☐ Direction/Guidance ☐ Legislative Development/Policy

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

Business Retention and Expansion (BRE) is a well-recognized, economic development strategy of proactively connecting with existing businesses to understand and respond to their needs. The City of Las Cruces' Economic Development Department has launched a BRE Program to better assist local businesses. The program has started as a pilot with businesses located at the West Mesa Industrial Park (WMIP) and Las Cruces International Airport (LRU). The program then will expand throughout the City for specific industries and by geographical areas.

Staff will be discussing where the Economic Development Department currently is with the pilot program, the input that has been received so far from the businesses assisted, and the plans to expand the BRE Program.

The Economic Development Department has also put in place programs to address the specific needs from businesses during COVID-19 and for recovery. Staff will provide an update on these programs including BizSprint, LiftFund, Social Media Assistance, and other initiatives being explored.

PLAN(S):

Comprehensive Plan, Department Strategic Business Plan

COMMITTEE/BOARD REVIEW:

Economic Development PRC